REPORT ON

RED MOUNTAIN MOLYBDENUM PROPERTY

WHITEHORSE MINING DISTRICT, YUKON TERRITORY

for

TINTINA SILVER MINES LTD.

by

J.W. MACLEOD, P. ENG.

PROSPECTUS
Jan 24, 1980.
061962

Vancouver, B.C.
February 5, 1979

TABLE OF CONTENTS

ILLUSTRATIONS

(All illustrations compliments of Amoco Canada Petroleum Co. Ltd.)

APPENDICES

RED MOUNTAIN MOLYBDENUM PROPERTY
105C13 - 105F4
WHITEHORSE MINING DISTRICT, YUKON TERRITORY

INTRODUCTION

At the request of Tintina Silver Mines Limited, all reports prepared as a result of the various exploration programs carried out on this property were reviewed with the object of summarizing the results and recommending on future participation by Tintina.

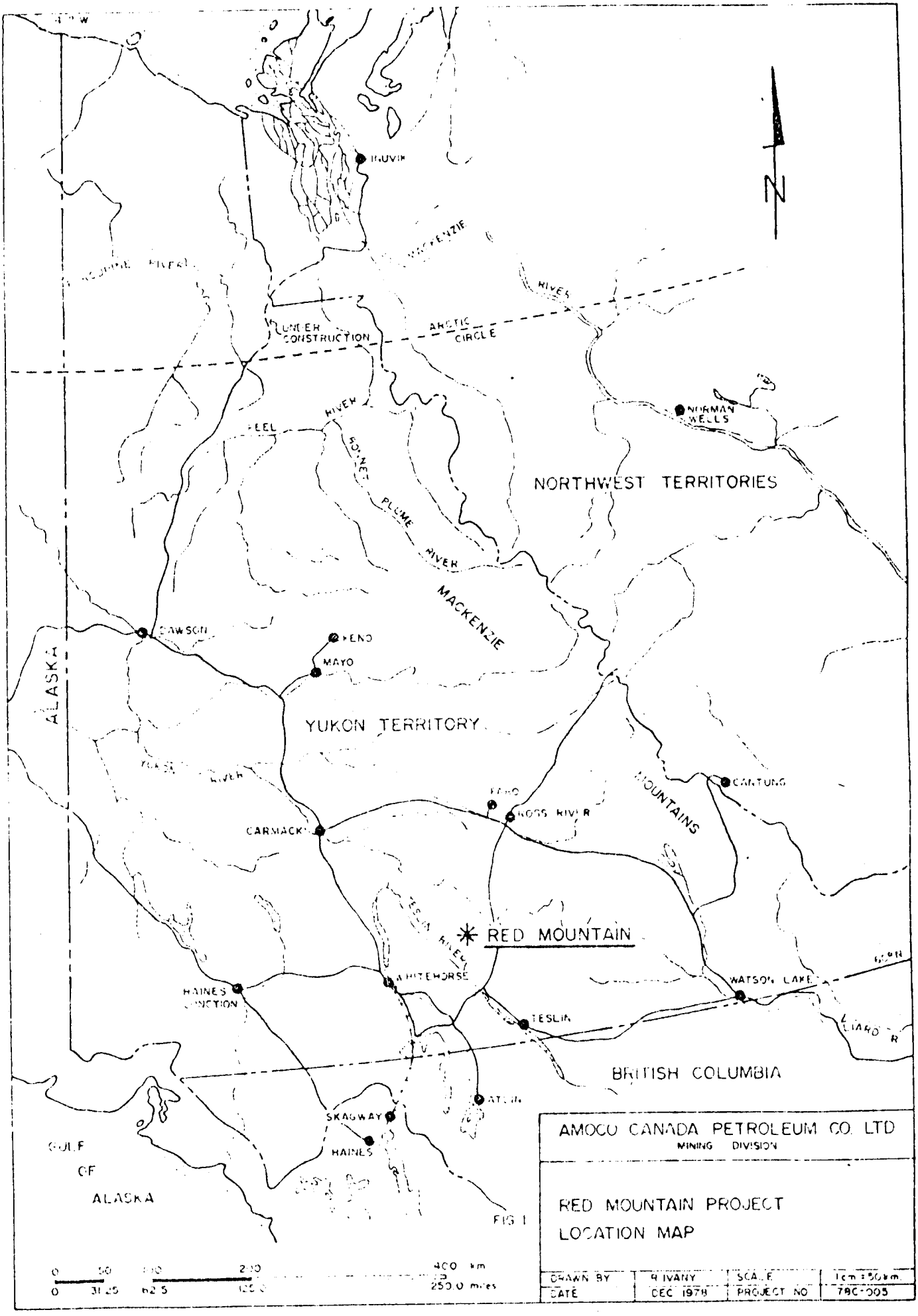
SUMMARY

In 1977 Tintina Silver Mines Limted acquired the Red Mountain molybdenum property located 80 km east northeast of Whitehorse, Y.T. The area has been the subject of mineral exploration since 1915, primarily for silver-lead, but the molybdenum associated with a large gossan on Red Mountain was not recognized until 1967 when the property was held by Boswell River Mines.

Tintina purchased the property in 1977 and optioned it to Amoco Canada Petroleum Company Limited, which through a comprehensive exploration program, outlined a multiple intrusive sequence, mineralization, alteration and metal zoning typical of a porphyry molybdenum occurrence.

The surface work and 5 drill holes suggest a potential of 180,000 tons per vertical foot with a grade in the range of 0.07% MoS_2. This large zone is open to the north west and grade appears to be improving with depth.

Substantial expenditures will be necessary to establish ultimate grade and tonnage. The results to date suggest that Tintina should maintain the financial flexibility to participate to the maximum extent allowed by its agreement with Amoco, if warranted by the results of the 1979 exploration program.


INUVIK
MACKENZIE RIVER
MACKENZIE RIVER
UNDER CONSTRUCTION
ARCTIC CIRCLE
NORMAN WELLS
NORTHWEST TERRITORIES
PEEL RIVER
SONNE
PLUME RIVER
MACKENZIE
DAWSON
KENO
MAYO
ALASKA
YUKON TERRITORY
YUKON RIVER
CARMACKS
FARO
ROSS RIVER
CANTUNG
MOUNTAINS
RED MOUNTAIN
TESLIN RIVER
WHITEHORSE
HAINES JUNCTION
WATSON LAKE
TESLIN
LIARD R
BRITISH COLUMBIA
SKAGWAY
HAINES
GULF OF ALASKA
0 50 100 200 400 km
0 31.25 62.5 125.0 250.0 miles
FIG 1
AMOCO CANADA PETROLEUM CO. LTD
MINING DIVISION
RED MOUNTAIN PROJECT
LOCATION MAP
DRAWN BY | G IVANY | SCALE | 1cm = 50km.
DATE | DEC 1978 | PROJECT NO | 780-005

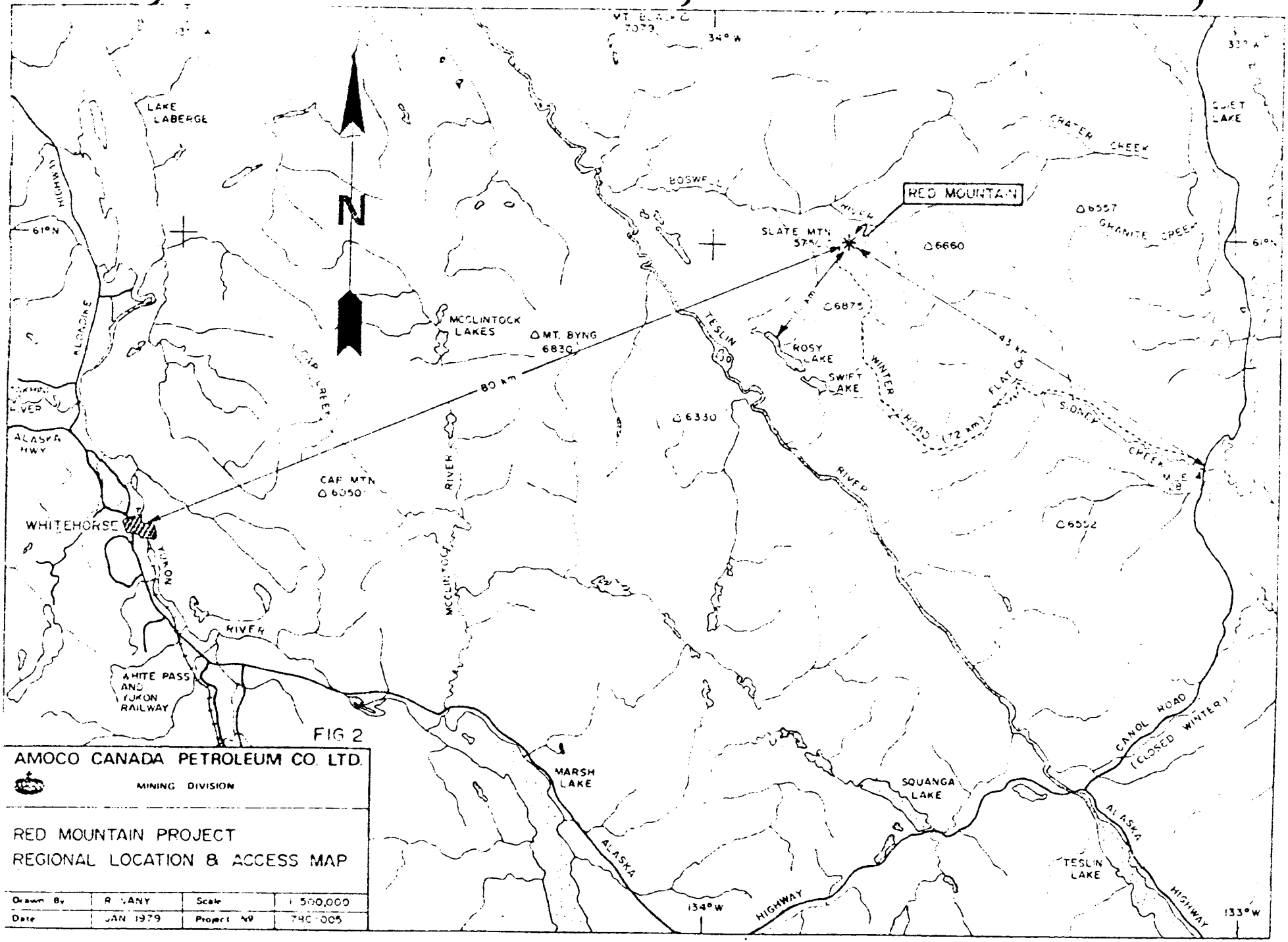


FIG 2

AMOCO CANADA PETROLEUM CO. LTD.

MINING DIVISION

RED MOUNTAIN PROJECT

REGIONAL LOCATION & ACCESS MAP

Drawn By	R. VANY	Scale	1:500,000
Date	JAN 1979	Project No	78C-005

PROPERTY

The property consists of the following located claims:

CLAIMS	GRANT NOS.	ANNIVERSARY DATE
Bug 1-8	Y 98583 - Y 98590	Dec. 2, 1981
Bug 9-16	Y 99304 - Y 99311	Dec. 2, 1981
Bug 17-84	YA 7932 - YA 7999	Dec. 2, 1981
GUB 1-30	YA22209 - YA22238	Dec. 2, 1981
GUB 32-50	YA22240 - YA22258	Dec. 2, 1981
GUB 51-64	YA23055 - YA23068	Aug. 1, 1979
GUB 65-66	YA23648 - YA23649	Sept.16, 1979

These claims are under option to Amoco Canada Petroleum Company Limited whereby Amoco can earn a 70% interest by spending $1,000,000 by October 1, 1982 in the following time frame:

$ 300,000	by Oct. 1/79	10%
200,000	by Oct. 1/80	10%
250,000	by Oct. 1/81	20%
250,000	by Oct. 1/82	30%
$1,000,000		70%

Tintina may elect to participate in 30% of continuing financing or retain 10% carried interest. Amoco has spent sufficient monies to maintain the option to October 1980.

LOCATION AND ACCESS

The property is located in south-central Yukon 80 km east northeast of Whitehorse at latitude 60°59'N and longitude 133°44'W. The claims are shown on claim maps 105C-13 and 105F4.

Access is by 72 km of winter road which leaves the Canol road 176 km east of Whitehorse. Rosy Lake, suitable for float aircraft is 11 km southwest of the property and a winter airstrip has been constructed on the southern part of the property.

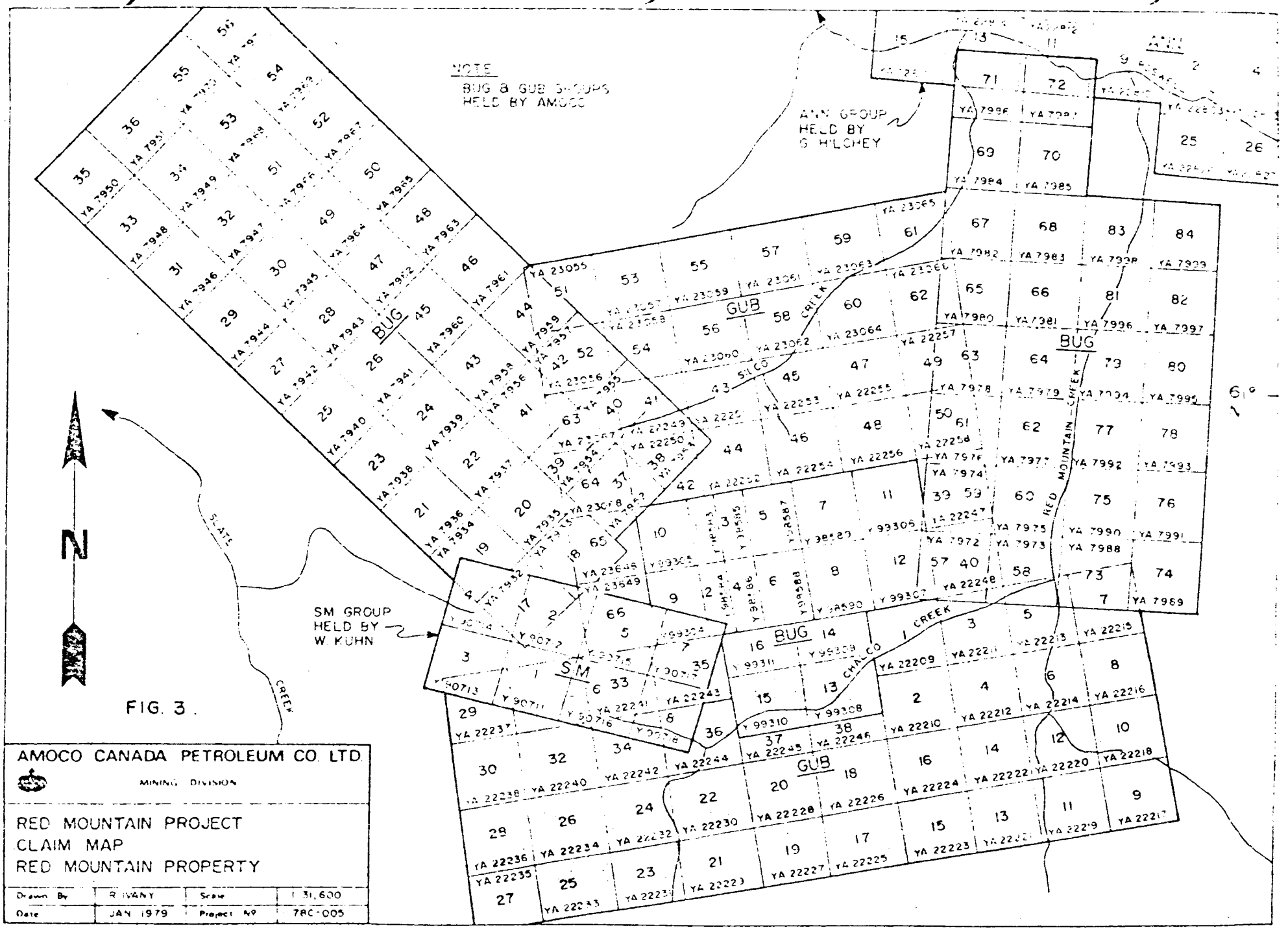


FIG. 3.

AMOCO CANADA PETROLEUM CO. LTD.
MINING DIVISION

RED MOUNTAIN PROJECT
CLAIM MAP
RED MOUNTAIN PROPERTY

Drawn By	R. IVANY	Scale	1:31,600
Date	JAN. 1979	Project No.	TRC-005

HISTORY

Mineral history of the area starts in 1915 with reports of silver-lead and it was a follow up of such old reports by Boswell River Mines in 1966-1969 using geochemical techniques that resulted in the location of molybdenum mineralization although their principal concern at that time was copper, lead and silver. After geological, geochemical and geophysical surveys Boswell drilled 3126 meters in 16 drill holes with the best reported intersection being 0.085% of MoS_2 over 54 meters.

The ground was restaked in 1971 and again in 1975, the later by R.J. Hilker who sold it to Tintina Silver Mines in 1977. Tintina in turn made an agreement with Amoco Canada Petroleum Canada Limited which company carried out a comprehensive program in 1978 consisting of geological, geochemical and geophysical surveys and drilled 5 holes totaling 1926 meters.

GENERAL

The property is located on Red Mountain in the glaciated Big Salmon Range between 1260 and 1702 meters elevation. Red Mountain probably gets its name from the prominant pyritic gossan on its slopes.

The cover is principally black spruce up to tree line at about 1450 meters.

Snow cover can be expected from October to May with winter temperatures often at -40°C.

Dynasty Mines has established the viability of a large tonnage lead-zinc operation in an isolated area. The Red Mountain prospect has a distinct advantage in dealing with a molybdenum concentrate which is a high unit value finished product so that transportation costs per ton on production are much lower and any increase in price accrues almost entirely to the mine.

GEOLOGY

For regional geology the reader is referred to G.S.C. Memoir 203 (1936), Memoir 236 (1963) and Open File 486 (1977).

The property is underlain by rocks of the Big Salmon Sedimentary Complex, mainly quartzites, argillites and amphibolites with minor limestone, gneiss and schists of late Precambrian to Mississipian age.

The sediments have been intruded by a complex quartz monzonite stock of late Cretaceous to Tertiary age. The stock outcrops in a northwesterly direction 1570 meters and over a width of 600 meters. Geophysical surveys suggest it extends at least 700 meters to the west under overburden. Detailed mapping differentiates 6 units of quartz monzonite porphyry including a late phase quartz-eye porphyry.

Aplitic and andesitic dikes intrude the quartz monzonite complex.

Alteration is zoned from the quartz stock work from sericite to chlorite and hornfels. Pyrite is pervasive away from the stockwork.

MINERALIZATION

The comprehensive program of geological mapping, geochemical and geophysical surveys carried out by Amoco has outlined a quartz stockwork core within the intrusive complex which is now the principal target for establishing a large tonnage of molybdenite reserves. There is peripheral mineralization into the hornfelsic sediments as demonstrated by the earlier Boswell River Mines drilling.

The quartz stockwork with associated molybdenite mineralization is mapped over an area approximately 350 meters by 600 meters and open in the long direction to the north west. This exposed area would have a potential of about 180,000 tons per vertical foot. Although 5 holes cannot be considered representative of the potential tonnage a grade of about 0.07% MoS_2 is suggested.

MINERALIZATION CONT'D.

Detailed results of Amoco's drilling are summarized on the following sheets.

Following is an exerpt from Amoco's report summarizing the 1978 exploration results:

" In 1978 Amoco conducted a comprehensive exploration program at Red Mountain. Work initially consisted of geological mapping, geochemical, induced polarization and magnetometer surveys. Considerable molybdenite mineralization was found within a strong 2150 by 650 meter (7250 by 2130 feet) soil anomaly. The western portion of the anomaly was subsequently partially tested by five drill holes totaling 1926 meters (6319 feet).

The Red Mountain prospect consists of a complex, multiple quartz monzonite porphyry stock which exhibits a well developed quartz stockwork, mineral zonation and alteration characteristic of a typical porphyry and molybdenum system.

Results to date reveal the presence of widespread, low grade (0.05-0.10%) molybdenite mineralization. Two holes intersected higher grade mineralization. The bottom of hole RMY 78-2 averaged 0.196% MoS_2 over 9.4 meters (31 feet), while hole RMY 78-4, located 250 meters (820 feet) to the west, intersected 108 meters (354 feet) of 0.166% MoS_2 at the bottom of the hole. These intersections are open to extension in all directions.

Potential remains for the discovery of ore grade mineralization close to surface as the upper part of hole RMY 78-4, the most westerly hole to date, contained 0.120% MoS_2 over 138 meters (453 feet) from 44 - 182 meters (144 - 597 feet).

Drilling to date indicates the intrusive complex to be very steeply dipping to the north.

The geologic setting, alteration and in particular, the results intersected in the bottom of diamond drill holes RMY78-2 and 78-4 indicate there is potential for ore grade mineralization on the property."

AMOCO DIAMOND DRILL HOLE DATA SHEET

DDH	LOCATION LINE	LOCATION STATION	ELEVATION	LENGTH	DIP - AZIMUTH	OVERBURDEN *Casing	SIZE	DATE	ASSAY RESULTS
RMY 78-1	3+75W	1+90N	1515 m (4970 ft)	338 m (1109 ft)	-45° S 198° (Grid South)	11.2 m (37 ft) *12.2m (40 ft)	BQ	17th July to 28th July	11.3-338m:0.066% MoS_2/326.7m (1072 ft) (37-1109 ft) 53.0-65.0m:0.101% MoS_2/12m (39 ft) (174-213 ft) 176.0-230.0m: 0.100% MoS_2/54m (177 ft) (577-754 ft) 176.0-203.0m: 0.119% MoS_2/27m (89 ft) (577-666 ft) 182.0-188.0m: 0.180% MoS_2/6m (20 ft) (597-617 ft) 287.0-323.0m: 0.078% MoS_2/36m (118 ft) (942-1060 ft)
RMY 78-2	5+00W	2+70N	1500 m (4921 ft)	298.4 m (abandoned) (979 ft)	-45° 198° (Grid South)	9.1 m (30 ft)	BQ	30th July to 7th Aug.	39.0-87.0m: 0.141% Cu/48m (128-285 ft) 0.122 oz/t Ag (157 ft) 207.0-237.0m: 0.207% Cu & 0.213 oz/t Ag/30m (679-778 ft) (98 ft) 213.0-225.0m: 0.30% Cu & 0.325 oz/t Ag/12m (669-738 ft) (39 ft)

AMOCO DIAMOND DRILL HOLE DATA SHEET

DDH	LOCATION LINE	LOCATION STATION	ELEVATION	LENGTH	DIP - AZIMUTH	OVERBURDEN *Casing	SIZE	DATE	ASSAY RESULTS
									247.0-274.0m: 59ppm W/27m (89 ft) (810-899 ft) 289.0-298.4m: 0.196% MoS_2/9.4m (31 ft) (948-979 ft)
RMY 78-3	5+00W	1+50N	1562m (5125 ft)	370m (1214 ft)	-45°S @198° (Grid South)	2.4m (8 ft) *61m (20 ft)	NQ to 158.5 (520 ft) BQ Below	10th Aug. to 25th Aug.	2.4m-370m: 0.056% MoS_2/367.6 (1206 ft) (8-1214 ft) 65-74m: 0.100% MoS_2/9m (30 ft) (213-243 ft) 188-203m: 0.094% MoS_2/15m (49 ft) (617-666 ft)
RMY 78-4	7+50W	1+50N	1573m (5161 ft)	541.6m (1777 ft) Hole Abandoned	Vertical	3.4m (11 ft) *5.5m (18 ft)	NQ to 155.7m (511 ft) -BQ Below	27th Aug. to 26 Sept./78	3.4-541.6m: 0.099% MoS_2/538.2m (1766 ft) (11-1777 ft) 44-182m: 0.120% MoS_2/138m (453 ft) (144-597 ft) 86-122m: 0.150% MoS_2/36m (118 ft) (282-400 ft) 327-378m: 0.112% MoS_2/51m (167 ft) (1073-1240 ft)

AMOCO DIAMOND DRILL HOLE DATA SHEET

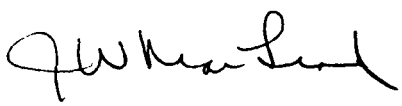
DDH	LOCATION LINE STATION	ELEVATION	LENGTH	DIP - AZIMUTH	OVERBURDEN *Casing	SIZE	DATE	ASSAY RESULTS
								429-537m: 0.166% MoS_2/108m (354 ft) (1408-1762 ft) 444-510m: 0.181% MoS_2/66m (216 ft) (1457-1673 ft) 444-471m: 0.214% MoS_2/27m (88 ft) (1457-1545 ft)
RMY 78-5	7+50W 4+00N	1464m (4803 ft)	378m (1240 ft)	Vertical	2.4m (10.4 ft) 8m (34 feet)	NQ to 152.7m (501 ft) -BQ Below	Oct. 1- Oct.25/78	146.0-179.0m: 0.10% Cu/33m (108 ft) (479-587 ft) 182.0-314.0m: 0.039% MoS_2/132m (433 ft) (597-1030 ft) 314.0m-365.0m: 0.074% MoS_2/51m (167 ft) (1030-1197 ft) 314.0-335.0m: 0.095% MoS_2/21m (69 ft) (1030-1099 ft) 215-257m: 135 ppm W/42m (138 ft) (705-843 ft) 296-320m: 225 ppm W/24m (79 ft) (971-1050 ft)
TOTAL			1926.0m (6319 ft)					

CONCLUSIONS AND RECOMMENDATIONS

Through comprehensive examination Amoco has succeeded in establishing the presence of a large reserve of molybdenum in a porphyry-type setting on the Red Mountain property.

Although a large expenditure will be required to establish the economic viability of the deposit, the results to date, if continued in the 1979 programme, justify participation by Tintina Silver Mines Limited to the maximum extent as allowed by their agreement.

Respectfully submitted,



J.W. MacLeod, P. Eng.

Vancouver, B.C.
February 5, 1979.

REFFERENCES

1. Memoir 203 - G.S.C. 1936
2. Memoir 236 - G.S.C. 1963
3. Report by P.H. Sevensma 1968
4. Report by Warren Geiger 1969
5. Report by P.H. Sevensma 1970
6. Report by P.H. Sevensma 1974
7. Report by R.G. Hilker 1976
8. Report by C. Jackson 1977
9. Report by J. Korenic
   Amoco Canada Petroleum Co. Ltd. 1979